

# CORPORATE REPORT TO THE COMMUNITY



FISCAL YEAR ENDING DECEMBER 31, 2011, AND BUDGET YEAR 2012

## HERE'S TO OUR HEALTH BLOOMINGTON: A HEALTHY, SUSTAINABLE COMMUNITY

By Mayor Gene Winstead

The City's long-term vision is to make Bloomington a stronger, healthier, more sustainable community. We do this by providing quality services at an affordable price, supporting the long-term property investments that residents and businesses have made in Bloomington through City reinvestment and renewal.

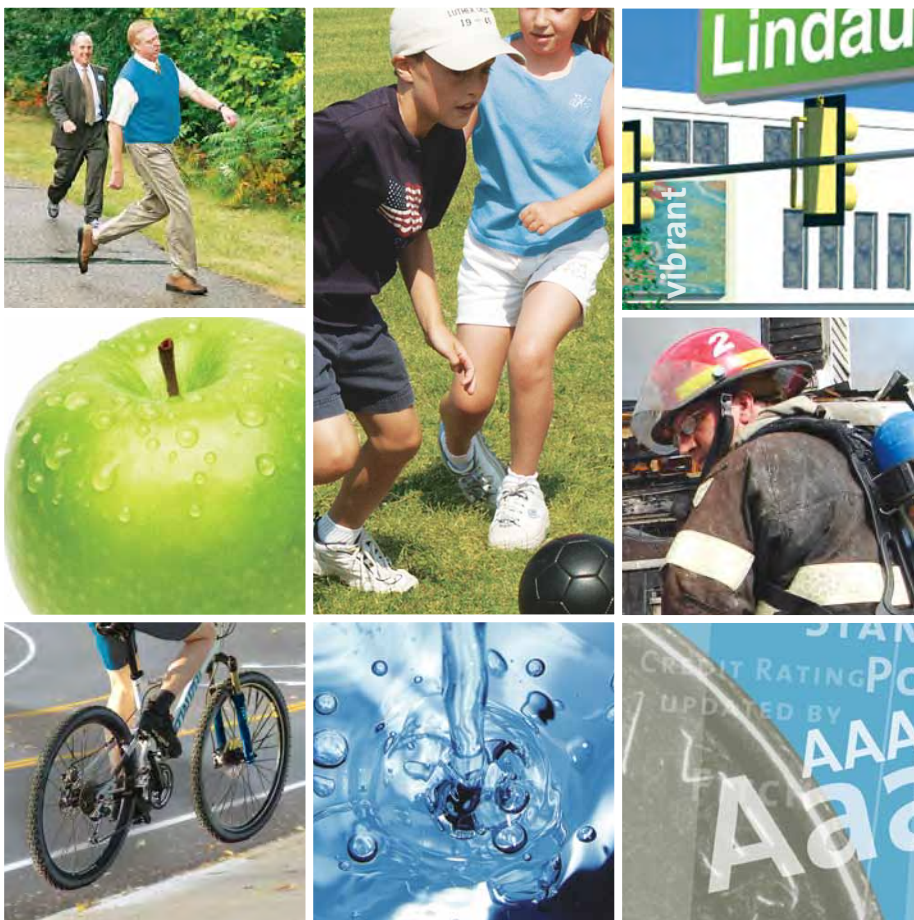
We also work with community members and partners to support efforts to be healthier. When we say "healthy"

we mean healthy in every sense of the word. We want Bloomington to be financially, developmentally, physically and environmentally healthy. This is what this year's *Corporate Report* theme, "Bloomington: A Healthy, Sustainable Community" is all about.

For the past several months, the City has been collaborating with Blue Cross and Blue Shield of Minnesota and our neighboring cities of Edina and Richfield on the *do.town* initiative to promote healthy living in our communities and support people in their efforts to be healthier.

We made strides in 2011 toward our goal of becoming a healthier community and we continue to make progress. The City

organization is financially healthy. That financial health, coupled with community partnerships and available grants, has allowed the City to provide resources and services, such as pedestrian and bike trails along Bush Lake Road and portions of 86th Street, bike racks throughout the city, a thriving



Farmers Market, community gardens, home improvement loans and more.

In 2011, the City was awarded two grants – an \$840,000 Statewide Health Improvement Program (SHIP) grant from the State of Minnesota and a \$185,000 federal grant from the Centers for Disease Control and Prevention. The SHIP program promotes physical activity and good nutrition. You can learn more about these programs and other efforts in this report and on the City's website.

To continue to be financially healthy and to maintain a reasonable price for City services, the City Council adopted a property tax levy of \$44,441,371 for 2012. In doing so, the City met the Council's objective to keep the cost of City services for the owner of a median-value, single-family home of \$207,300 to \$67.82 per month, which is the same amount homeowners paid in 2011 and 2010.

Bloomington continued to thrive, as evidenced by the new businesses, hotels, restaurants and residential housing planned for or constructed in 2011. Overall, 2011 was a very strong year for development when comparing the last 10 years, especially in the areas of residential and hotel development. In fact, 2011 was a record year for permits issued in Bloomington and many of these projects meet the City's strategic directive of renewal. *See page CR 3.*

Foreclosures remained stable in 2011 and accounted for just 1 percent of all of our housing.

Major district improvements also continued to move forward in 2011, including construction of the new Radisson Blu hotel at Mall of America and Lindau Link in the South Loop. In the Penn-American District, construction is underway on a new mixed-use, retail and residential development. In the Normandale Lake District, two new upscale apartment developments are being constructed.

Renewal efforts to improve transportation and safety on I-494 made progress in 2011. Reconstruction of the I-494/TH 169 interchange, including the installation of six roundabouts, is well underway. *See page CR 5.*

Other renewal efforts will improve our transportation systems and create higher-density, mixed-use, walkable and bikeable communities. *See page CR 4.*

As we focus on creating a healthier, more sustainable community, we will continue to provide exceptional services at an affordable price, with a commitment to excellence and a strong strategic plan to guide our course.

Working with community members, businesses and partner organizations, we will create a healthier Bloomington for now and generations to come.

### THROUGHOUT THIS REPORT

The monthly expenses for City services described in this report are based on a median-priced home in Bloomington with monthly property taxes for City services of \$67.82.

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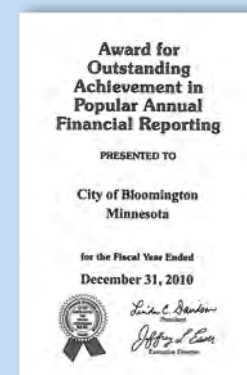
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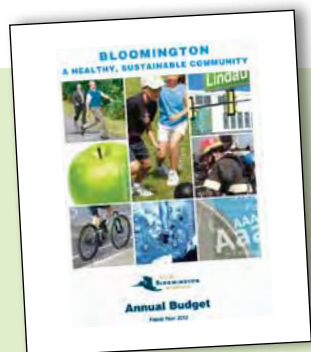
WHEN YOU SEE  
"WEBSITE KEYWORDS,"  
GO TO WWW.  
CI.BLOOMINGTON.MN.US  
FOR MORE  
INFORMATION.



### FINANCIAL AWARDS

The Government Finance Officers Association (GFOA) of the United States and Canada has given the City of Bloomington the Award for Outstanding Achievement in Popular Annual Financial Reporting for the fiscal year ended December 31, 2010. This national award recognizes the City's conformance with the highest standards for preparation of state and local government popular reports.

The City has received the Popular Award for 12 years, the Distinguished Budget Award for 15 years and the Certificate of Excellence in Government Reporting for the past 40 years.



### FINANCIAL REPORTS ONLINE

Check out the financial reports online. Bloomington's *Annual Budget*, *Budget Summary*, *Comprehensive Annual Financial Report*, *Corporate Report to the Community* and *Community Investment Program* are available on the City's website. The 2011 estimated expenditures in this report will be changed to reflect actual expenditures after the City's audit is completed in June.

WEBSITE KEYWORDS: FINANCE.

### WHAT MAKES BLOOMINGTON A HEALTHY COMMUNITY?

We asked community members and City employees what makes Bloomington a healthy place to live and work. You can read their answers throughout this publication. Just look for the bright red apples.







STRONG VALUE FOR YOUR DOLLAR

PUTTING YOUR TAX DOLLARS TO WORK  
WHAT THE OWNER OF A MEDIAN-VALUE HOME PAYS

Residents receive a wide variety of City services for an affordable price. The cost of City services in 2012 for the owner of a median-priced, single-family home in Bloomington with an assessor’s market value of \$207,300 is \$67.82 per month.

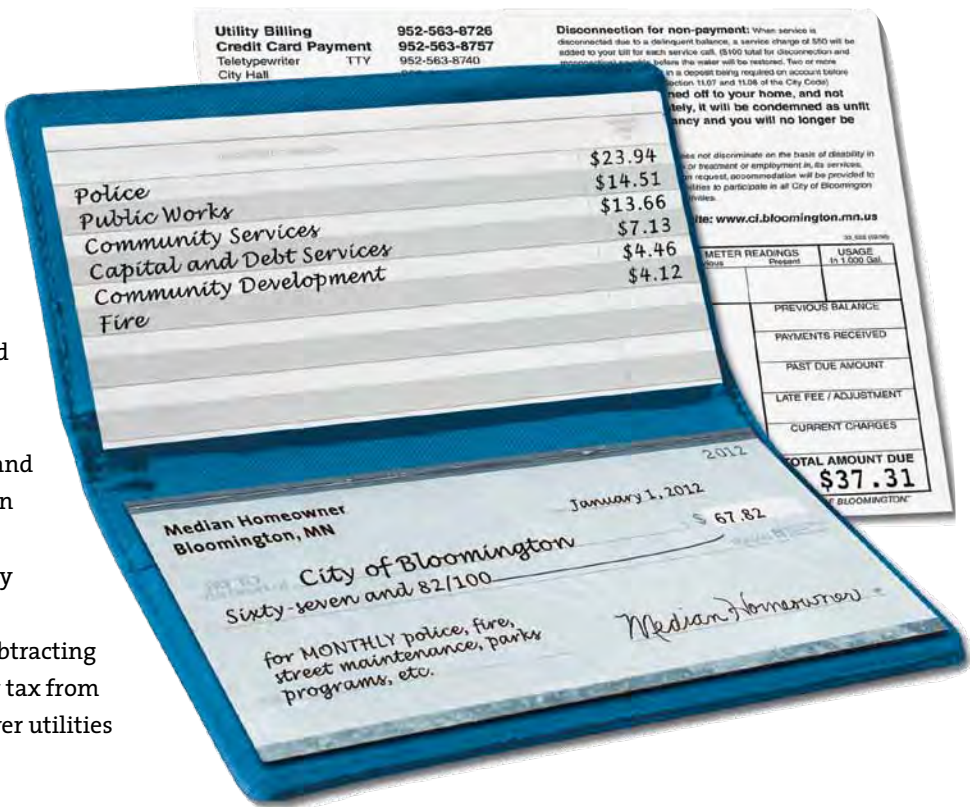
Utilities remain competitively priced in 2012. Solid waste fees have remained the same since 2009. Stormwater fees remained the same from 2009 to 2011 and had a \$0.25 per month increase in 2012. Water and wastewater rates stayed the same in 2009 and 2010. With the change to water conservation rates in 2011, single-family homeowners are better able to control their utility bills by controlling consumption.

Net property tax cost is obtained by subtracting all revenue sources other than the property tax from departmental expenditures. Water and sewer utilities are fee based.

Monthly cost of utilities

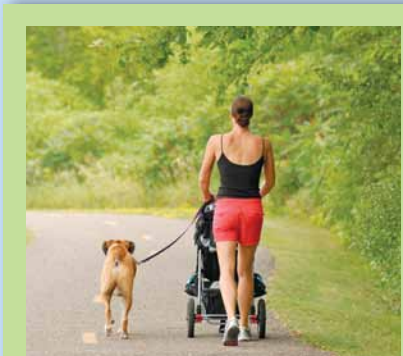
Based on an average water usage of 6,800 gallons per month and sewer usage of 4,740 gallons per month, the monthly cost of utilities for a home in Bloomington is \$37.31 in 2012. Services include water, sewer, stormwater and solid waste. See page CR 7 for more information on utility costs.

Note: Utility bills are mailed bimonthly and average \$74.62 for the two-month billing cycle.



PROPERTY TAX-SUPPORTED SERVICES

This checkbook shows how the monthly cost of property tax-supported services is divided among City departments.



With healthy choices all around us, we have an opportunity to live life to its fullest. Sidewalks, bike lanes and trails make transportation by foot and pedal easy. Healthy, sustainable changes are strengthening the future of our community.

Ruth Tripp, City of Bloomington  
Statewide Health Improvement  
Program Coordinator



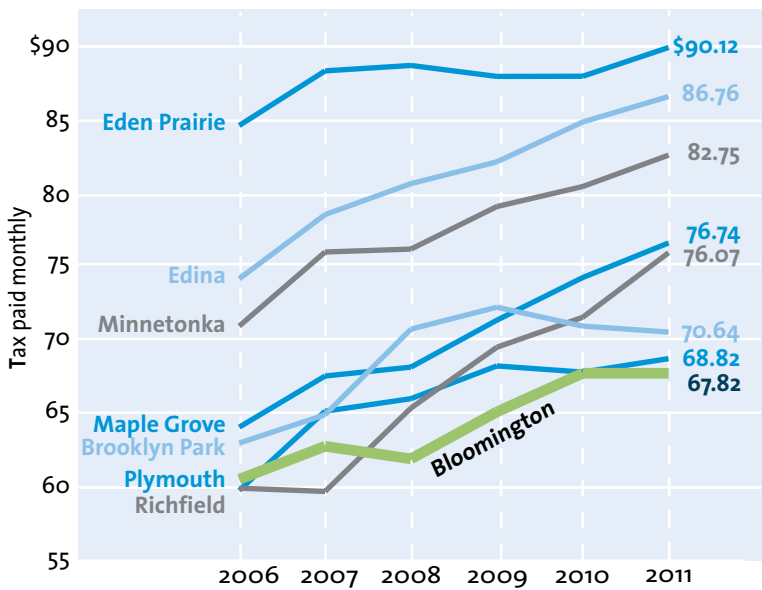
CITY OF BLOOMINGTON  
ORGANIZATIONAL  
CHART

Bloomington’s Charter provides for a council-manager government. The stability of our organization is reflected in the City having had only two city managers in the last 45 years.

The City Council and Mayor, who serve part time, are elected by the people, exercise legislative power and determine overall City policies. Advisory boards and commissions gather information and advise the City Council on specific issues. Policy development and day-to-day operations are directed by the Council-appointed City Manager. The City Manager oversees the eight departments and the Technical Services Group that carry out the services, activities and policies of the City of Bloomington.



CITY PROPERTY TAX ON MEDIAN-VALUE SINGLE-FAMILY HOME  
Not adjusted for property tax aids and Fiscal Disparities.



YOUR 2012 TAX DOLLAR  
HOW IT ALL BREAKS DOWN

The single-family residential tax dollar is divided among several governmental entities. As the graphic at right shows, for every dollar of taxes paid, 29 cents are for City services. The actual amount of taxes owed is based on market value, tax law and the levy. The levy for all local governmental entities is spread across properties within each entity’s respective boundaries using tax capacity, a function of market value and property type. After applying educational aids, a Bloomington homeowner with a median-value home pays \$2,788 in property taxes. Of that, \$814, or \$67.82 per month, goes to the City for services. The remaining \$1,974 or \$164.50 a month goes to other taxing districts.







# HEALTHY LIVING IN BLOOMINGTON

## REACHING OUR FULL POTENTIAL COMMUNITY DEVELOPMENT AND GROWTH

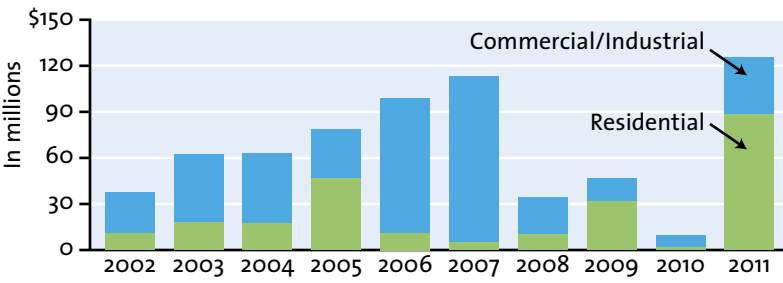
In 2011, development surged as businesses, hotels, restaurants, housing and academic institutions were remodeled or constructed. The value of new commercial, industrial and residential building permits reached \$125 million. *See graph at right.*

The City had a record year for new residential units; permits issued totaled more than \$88 million in new market value.



*Approximately 645 new residential units were permitted in 2011 – the largest number since the 1980s.*

BLOOMINGTON NEW BUILDING PERMIT VALUATION, 2002 - 2011



Growth shows no sign of stopping in 2012. Senior, rental and single-family homes keep popping up. One of Bloomington's strengths is a variety of housing choices with

many of the new developments located in higher density, mixed-use areas such as the Penn-American District.

Below are just a few new developments available to prospective home buyers and renters.

## SENIOR HOUSING MORE CHOICES FOR OLDER ADULTS

Senior housing is a great option for older adults who no longer want to maintain their single-family homes, but desire to stay in the community near family and friends.

Bloomington now has more housing options for seniors than ever, making it easier for those who grew up or raised their families here to stay in the community and live comfortably. The latest options include Founder's Ridge, Wealshire of Bloomington and

Applewood Pointe, with more to come.

Phase I of Founders Ridge, located at the Bethany Fellowship campus on Auto Club Road, is under construction. It includes 19 memory care units, 32 assisted living units and 55 independent living units. This four-phase project by Presbyterian Homes provides a continuum of care.



and will begin construction on Phase II in late 2012. Wealshire is a memory care facility. Phase I of construction includes 54 beds; Phase II will add 81 additional beds.

Applewood Pointe Southtown Senior Cooperative, 2600 West 82nd Street, has opened and includes more than 100 apartment units.



*In 2011, the Housing and Redevelopment Authority made 19 rehabilitation loans to Bloomington homeowners, resulting in nearly \$367,000 in home improvements.*

**Wealshire of Bloomington**, 10601 Lyndale Avenue South, opened in August 2011

## RENTAL HOMES IN WALKABLE LOCATIONS APARTMENT HOMES OFFER VARIETY, CONVENIENCE

One of the City's goals is to provide people with more housing options closer to businesses, transit and recreational opportunities. When people live nearer to where they work, play and socialize, the need for motorized transportation is reduced and biking and walking are increased, encouraging a healthier lifestyle.

In the Penn-American District, "Genesee," a mixed-use retail and residential development on the southeast corner of Penn Avenue and

American Boulevard, will have 212 apartments and 22 townhomes. Construction will be completed by this fall.

Luxembourg is a three-story, 282-unit, upscale rental apartment development located at 5100 West 82nd Street in the Normandale Lake District. The complex includes a four-level parking ramp. Apartments will be available to rent in 2013.

Also located in the Normandale Lake District is Covington Apartments



on Green Valley Drive, just north of Normandale Lake Boulevard.

Covington's plan shows 250 rental units. If they proceed this year, it is anticipated that apartments would be available in 2013.



*Building permits for 10 units have been issued for Hidden Bluffs, the largest single-family detached development since the 1990s.*

## SINGLE-FAMILY HOMES GREAT NEW OPTIONS FOR GROWING FAMILIES

**Hidden Bluffs** by Pulte Homes is the largest single-family detached home development project in Bloomington since the 1990s. Approximately 40 lots will be developed. Eight homes have already been constructed.

Located on West 113th Street and Louisiana Avenue South, the development will include three- and four-bedroom homes.



## IT'S ABOUT RENEWAL CITY'S GROWTH POTENTIAL

Nearly 85 percent of the City's residential and commercial growth potential is in three districts along I-494 – South Loop, Normandale Lake and Penn-American. Benefits to the City, School District and County increase as the development density increases. This is why the City uses tax increment financing to share the cost of infrastructure needed for compact development such as parking ramps.

The South Loop District, an important commercial and employment center just south of the Minneapolis-St. Paul International Airport, contains 65 percent of Bloomington's growth potential. Construction is in progress on the 501-room Radisson Blu Hotel, adjacent to the Mall of America. The hotel will open in March 2013. Also in the South Loop, the Lindau Lane project will extend the street to 30th Avenue, improve safety and make the area more pedestrian friendly. *See page CR 5.*

About 15 percent of the City's renewal potential is located in the Normandale Lake District, where two major apartment housing developments are being planned or under construction.

The remaining 5 percent of renewal potential exists in the Penn-American District, where construction on "Genesee" is nearly complete. *See story at left.*

**WEBSITE KEYWORDS: DEVELOPMENT MAP.**



**K**eeping homes decent, safe and sanitary are key to a city's overall health. Providing low interest and deferred loans for those who can't afford to make expensive home improvements is vital to the preservation and sustainability of the city's housing stock.

*Brian Duerwachter,  
Housing and Redevelopment  
Authority (HRA) Program  
Specialist*







## LINKING PEOPLE TO PLACES

### LET'S GET MOVING MAKING HEALTHIER CONNECTIONS

**T**ransportation is a big deal in Bloomington. More than 75,000 people come here every day to work. And nearly 20 percent of the population and 21 percent of the jobs in the metropolitan area are located along the I-494 corridor. Of Bloomington residents who are employed, one in four work in Bloomington.

Whether your goal is to connect to work, school or recreational opportunities, the City wants to help make your connections healthier. We all need to get where we're going and want the experience of getting there to be as enjoyable as possible. Making healthier connections means creating communities that are more accessible, walkable and bikeable. It also means offering a variety of transportation and transit options that provide for safer and more efficient ways to connect.

Here are just a few examples of how the City is creating a more sustainable community through improving connections between neighborhoods, businesses, transit and recreational amenities.



### BALANCING NEEDS CREATING A MORE DIVERSE TRANSPORTATION SYSTEM

**T**he City recently adopted a Complete Streets Policy designed to balance safety, mobility, efficiency and costs in creating a more diverse transportation system that meets the needs of all community members. The policy will explore ways to design streets that accommodate different users and encourage more active lifestyles.

"The goal is to develop a balanced transportation system that will enhance

safety, health and livability for users of all ages and abilities, including pedestrians, bicyclists, commercial and emergency vehicles and motorists," City Engineer Shelly Pederson said. "We'll do this by planning, designing and maintaining a network of multi-modal streets."

The Complete Streets Policy is part of the City's *Alternative Transportation Plan*, which was adopted in 2008 to enhance quality of life in Bloomington. The policy supports initiatives the City already has in place to promote healthier streets. These initiatives include the City's *Traffic Demand Management Plan*, which requires the owners of new, non-residential developments to develop a plan that outlines how they

will encourage the use of alternative transportation.

The City's work on neighborhood traffic management procedures also supports Complete Streets by reducing traffic speeds on local streets through such traffic management devices as traffic circles and restriping.

Removing transportation barriers for seniors, children and people with disabilities will allow them to lead more active lifestyles. The policy will also reduce traffic congestion and pollution by providing safe travel choices that encourage non-motorized transportation, including more bicycle lanes and pedestrian-friendly streetscapes.

For more information, contact City Engineer Shelly Pederson at 952-563-4866 or e-mail [spederson@ci.bloomington.mn.us](mailto:spederson@ci.bloomington.mn.us).

**WEBSITE KEYWORDS: COMPLETE STREETS.**



### FOR MORE ACTIVE LIVING UPDATING AND ENHANCING OUR HEAVILY USED TRAILS

**T**he trails around Bloomington's biggest lake received a much needed facelift last summer. Nearly three miles of trails were reconstructed or paved and a new trail connecting East and West Bush Lake parks was added along the lake's southeast shore. Many trails were widened to be more pedestrian friendly. At the same time, multiple modes of transportation, including wheelchairs and bicycles, were accommodated.

Now it's Normandale Lake's turn. The popular Normandale Lake Park receives an estimated 350,000 visitors annually; the majority enjoy the trails around the lake. This summer, many trails will be reconstructed or paved.

"The trails are nearly 30 years old and are in need of replacement," Parks

and Recreation Manager Randy Quale said. "These are heavily used trails; we need to keep them up."

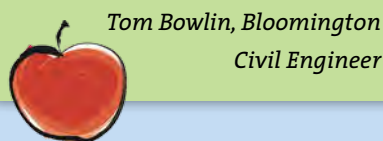
The trail reconstruction project is funded by regional park system grants from the State of Minnesota and Metropolitan Council.

For more information on Bloomington's many hiking and biking trails, including detailed maps, pick up a copy of the *Active Living Biking and Hiking Guide*. The guide is available at the Parks and Recreation counter at Bloomington Civic Plaza or can be downloaded on the City's website.

**WEBSITE KEYWORDS: ACTIVE LIVING.**



**T**raffic signal coordination saves energy by reducing vehicle stops. In 2011, approximately 23 traffic signals were synchronized, resulting in an estimated annual reduction of nine million vehicle stops, 113,000 hours of vehicle delay and more than 112,000 gallons of fuel consumed.



Tom Bowlin, Bloomington  
Civil Engineer

### GOING WITH THE FLOW TRAFFIC SIGNAL COORDINATION REDUCES TRAVEL TIME

**T**he timing of traffic signal lights is a major factor in traffic flow – and can make all the difference when you're trying to get to work on time. The City recently implemented a traffic signal coordination and retiming project that aims to improve traffic flow and conserve energy.

"Traffic signal coordination is a retiming tool that synchronizes the start of green lights at intersections along a corridor, enabling a group of vehicles to travel together through multiple signals with minimal or no stops," Civil Engineer Tom Bowlin said. "Retiming is one of the most cost-effective ways to improve traffic flow and reduce travel time for motorists."

Synchronizing the movement of vehicles between intersections reduces vehicle stops, intersection stacking, and overall delay, which lowers fuel consumption and vehicle emissions.

The project evaluated 61 signals in the city, including those owned by the City, Hennepin County and the Minnesota Department of Transportation. Signal timing optimization and corridor synchronization were identified and implemented where appropriate.

The project was funded by the Energy Efficiency Conservation Block Grant Program.

For more information, contact Tom Bowlin at 952-563-4914 or e-mail [tbowlin@ci.bloomington.mn.us](mailto:tbowlin@ci.bloomington.mn.us).

**WEBSITE KEYWORDS: SIGNAL TIMING.**





# CONNECTIONS THAT COUNT

## A NEW LINDAU LANE TRANSFORMING SOUTH LOOP

A project is underway in the South Loop District that will transform Lindau Lane, located between Mall of America (MOA) and retailer IKEA, by completely reconstructing the existing street from TH 77 east to 24th Avenue and extending it to 30th Avenue.

Six blocks of roadway from 24th to 30th Avenue will be designed for multiple uses, including hotel, retail and office spaces, and will be accessible via bus and LRT. Safety improvements will reduce crashes near IKEA Way – Bloomington’s highest-crash intersection.

The project will incorporate complete street design elements to make the district more pedestrian friendly, *see page CR 4*. Stormwater management will make the district more environmentally friendly. Creating smaller blocks will improve vehicle circulation, postponing the need for traffic management and intersection improvements.

“The *South Loop District Plan* calls for creating smaller blocks and additional streets, which will improve

pedestrians’ perception of walkability,” Community Development Director Larry Lee said. “It will also improve traffic capacity and vehicle circulation.”

The entire project will create 350 on-site and 650 indirect (off-site supplier and manufacturing) jobs.

The Lindau Lane Greenway will be an important place-making element of the *South Loop District Plan* by extending Bloomington Central Station’s



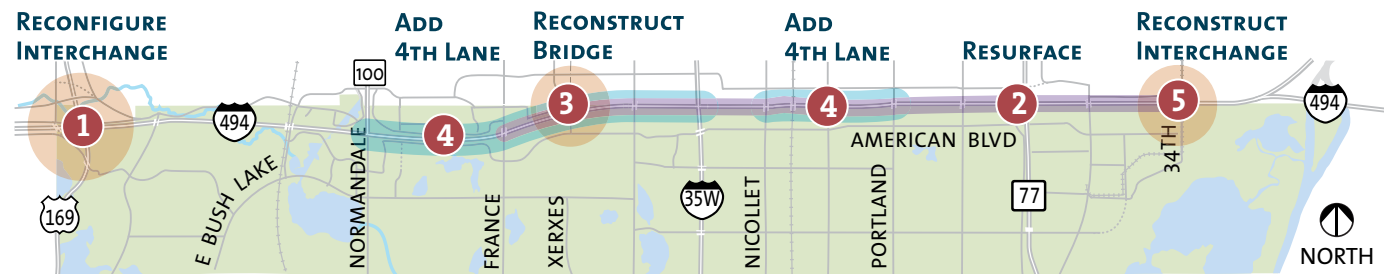
pedestrian-scale streets towards the MOA. Funding will come from a combination of a state grant, liquor and lodging taxes, and MOA tax increment.

For more information, contact Julie Long at 952-563-4865 or e-mail [jlong@ci.bloomington.mn.us](mailto:jlong@ci.bloomington.mn.us).

**WEBSITE KEYWORD: SOUTH LOOP.**



## THE FUTURE OF I-494 PAVING THE WAY TO A BETTER, SAFER COMMUTE



For decades, the I-494 corridor has served as the main artery to get to places like the Minneapolis-St. Paul International Airport, Mall of America, National Wildlife Refuge and countless businesses in the metro area. Being so heavily used, pavement on the corridor needs upgrading and several bridges need replacement. The City is currently working with the Minnesota Department of Transportation (MnDOT) and other agencies to improve and reconfigure portions of I-494.

**1** A major reconstruction project designed to relieve congestion and increase safety on the I-494/TH 169 interchange is well underway.

The project will completely reconfigure the interchange. Contractors will remove three stoplights and rebuild the interchange, replacing the stoplights with six freeway-to-freeway ramps.

Some aspects of the project are already complete. Reconstruction of the northbound lanes of TH 169 was recently completed. The southbound lanes will be reconstructed this summer. The new Washington Avenue bridge spanning I-494 was finished in November. In addition, two of the six new roundabouts will serve as access points to the freeway from surrounding streets and frontage roads. *See photo below.*

“The long-awaited reconstruction of the I-494/TH 169 interchange will reduce congestion around the interchange area and improve safety,” Deputy Director of Public Works Jim Gates said.

**2** Construction projects along the I-494 corridor include resurfacing of I-494 from France Avenue to 34th Avenue, along with portions of the adjacent I-494 frontage roads. According to MnDOT, three lanes will be open along I-494 during the project.

**3** The Xerxes Avenue bridge spanning I-494 will be reconstructed. The project includes widening the bridge deck for walking and biking. Reconstruction is expected to be completed by 2013.

**4** By the end of 2012, a westbound auxiliary lane will be added between I-35W and TH 100 that will provide a fourth general purpose lane from I-35W to TH 169. An auxiliary lane will also be constructed on westbound I-494 between Portland and Nicollet avenues this year. According to Gates, auxiliary lanes assist motorists by adding capacity to the corridor, limiting congestion and allowing more space to merge on and off the I-494 main line.

**5** The I-494/34th Avenue interchange will be reconstructed as a diverging diamond interchange, the only one in the metropolitan area and the only one in the world with LRT trains flowing through. The design will eliminate the need for motorists to cross multiple lanes of traffic to access I-494 and provide for safer turns. The project is expected to be completed by 2013.

For more information, contact Deputy Director of Public Works Jim Gates at 952-563-8730 or [jgates@ci.bloomington.mn.us](mailto:jgates@ci.bloomington.mn.us).

**WEBSITE KEYWORDS: I-494 CORRIDOR.**



## MAKING SOUTH LOOP SAFER FOR PEDESTRIANS BRIDGING KILLEBREW DRIVE

Construction is beginning on a new pedestrian bridge that will connect the Mall of America (MOA) to the south side of Killebrew Drive. The bridge will improve pedestrian safety by replacing the at-grade crosswalks of the six-lane road. Killebrew Drive currently accommodates more than 18,000 vehicles per day. That number is expected to increase to 39,000 vehicles per day by 2030.

The pedestrian bridge will be completely covered and partially temperature-controlled with elevator and stair access on the south side. The pedestrian path will go through the MOA parking lot located below the Radisson Blu hotel and along the lobby to connect to the MOA. The bridge has been planned to complement the design of the Radisson Blu hotel.

An ornamental metal and concrete divider will be constructed along Killebrew Drive to direct pedestrians to the bridge. Removing pedestrians from the intersections allows signal timing to be modified, increasing the street’s vehicle capacity.

The bridge project is funded by a federal grant, liquor and lodging taxes and assessments. Construction is scheduled to be completed by spring 2013, coinciding with completion of the Radisson Blu hotel. *See page CR 8.*

**WEBSITE KEYWORD: KILLEBREW.**



We are making efforts to enhance transportation choices. Commuter Services estimates Bloomington residents and commuters reduced auto travel by nearly 12 million vehicle miles last year through carpooling, transit and other alternative transportation.

Melissa Madison,  
Commuter Services







## 2012 OPERATING REVENUE SOURCES

The City’s major funds fall into the categories of General, Enterprise, Debt Service, Capital Projects, Internal Service and Special Revenue. Shown on the next three pages, these funds demonstrate how quality City services provide a good value for your tax dollar.

Bloomington’s low property tax rate is maintained by maximizing other funding sources, continuing to encourage growth of the City’s diverse tax base and looking at new ways to bolster productivity. By diversifying revenue, the City is in a strong position to withstand economic shifts.

Property taxes	\$42,490,078*
Fees/charges	26,986,882
Program income	7,064,336
Lodging/admissions	6,850,000
Transfers/other	4,282,155
Intergovernmental	4,375,853
Licenses/permits	4,151,521
Special assessments	2,723,000
Fines/forfeitures	1,366,500
Franchise fee	1,098,000
Interest	413,906
<b>Total revenues</b>	<b>\$101,802,231</b>

\*Does not include Capital Funds.

## 2012 BUDGETED EXPENDITURES BY FUND

The City of Bloomington’s budgeted expenditures for 2012 total \$109,547,941.\*

General Fund	\$56,927,790
Enterprise Funds	35,456,760
Special Revenue Funds	6,637,376
Debt Service Funds	10,526,015
<b>Total expenditures</b>	<b>\$109,547,941</b>

\* The \$7,745,710 difference between 2012 revenues and expenditures is the planned expenditure(s) of reserves for Capital Projects, *see page CR 8*.



We were delighted to see gardens at Harrison and Smith parks. We tried out new growing methods, hosted garden events and started a blog. Gardening brings together all ages and cultures.

Ann Shields and Michelle Farrell Thorson, residents



## SETTING HIGH STANDARDS

## THE GENERAL FUND

The General Fund, which accounts for a majority of City services, is Bloomington’s primary operating fund. It uses current revenues to fulfill current expense obligations. This section contains specific information about each department within the General Fund.

	2010 ACTUAL EXPENDITURES	2011 BUDGET	2011 ACTUAL EXPENDITURES	2012 BUDGET	ESTIMATED NET PROPERTY TAX*
<b>POLICE</b>	<b>\$18,725,375</b>	<b>\$20,339,481</b>	<b>\$19,730,643</b>	<b>\$20,831,981</b>	<b>\$23.94</b>

The Police Department works with the community to make Bloomington a safe place to live and partners with residents and businesses to address their diverse needs.

<b>PUBLIC WORKS</b>	<b>11,522,091</b>	<b>11,898,966</b>	<b>11,372,373</b>	<b>9,589,871</b>	<b>14.51**</b>
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Public Works provides safe and efficient transportation routes throughout Bloomington; maintains the City’s streets, parks, vehicles and public facilities; and reviews the impact construction and development projects will have on local and regional infrastructure. *Starting in 2012, Parks Maintenance is funded in Community Services.*

<b>COMMUNITY SERVICES</b>	<b>8,461,765</b>	<b>8,856,769</b>	<b>8,585,914</b>	<b>11,514,467</b>	<b>13.66†</b>
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Community Services offers human services programs, manages parks and recreational activities, produces communication materials and provides public health services. *Starting in 2012, Parks Maintenance is funded in Community Services.*

† Recreational facilities funding is \$2.13 of this total.

<b>COMMUNITY DEVELOPMENT</b>	<b>5,606,891</b>	<b>6,195,991</b>	<b>5,620,271</b>	<b>6,378,982</b>	<b>4.46</b>
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Community Development partners with the community to enhance Bloomington through planning, economic development and redevelopment activities. The department promotes health and safety by obtaining compliance with state and City codes.

<b>FIRE</b>	<b>2,285,076</b>	<b>2,684,717</b>	<b>2,588,758</b>	<b>2,826,430</b>	<b>4.12</b>
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The Fire Department protects the community by performing rescues; responding to fires, emergencies and hazardous materials incidents; and teaching fire prevention.

<b>TECHNICAL SERVICES</b>	<b>2,145,207</b>	<b>2,404,070</b>	<b>2,133,785</b>	<b>2,519,640</b>	<b>***</b>
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Technical Services furnishes licensing, assessment, elections, records management and cemetery services to Bloomington’s residents as well as internal technology support to City departments.

<b>LEGAL</b>	<b>1,000,118</b>	<b>1,132,400</b>	<b>1,024,909</b>	<b>1,155,189</b>	<b>***</b>
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Legal prosecutes misdemeanors and advises the City Manager, City Council, City departments, and advisory boards and commissions.

<b>FINANCE</b>	<b>832,518</b>	<b>958,177</b>	<b>808,851</b>	<b>1,020,783</b>	<b>***</b>
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Finance provides financial management and internal support services to other departments.

<b>HUMAN RESOURCES</b>	<b>534,832</b>	<b>689,838</b>	<b>524,466</b>	<b>686,944</b>	<b>***</b>
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Human Resources recruits and assists in hiring staff, oversees employee benefit programs and conducts employee relations activities on behalf of the City.

<b>COUNCIL, COMMISSIONS, CITY MANAGER</b>	<b>678,989</b>	<b>853,347</b>	<b>675,250</b>	<b>874,910</b>	<b>***</b>
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Legislative power is vested in an elected, part-time City Council consisting of a mayor and six councilmembers, which appoints citizens to advisory commissions. A city manager administers City business, appoints all other employees and performs duties as directed by the Council.

- \* Net property tax is the portion of the levy allocated to these services per month. For the net property tax calculation, departments with programs that generate fee revenue have that revenue applied to their budget before property tax.
- \*\* Includes \$930,219 in a separate levy for the Pavement Management Program.
- \*\*\* These administrative services are allocated to other General Fund budgets and programs.

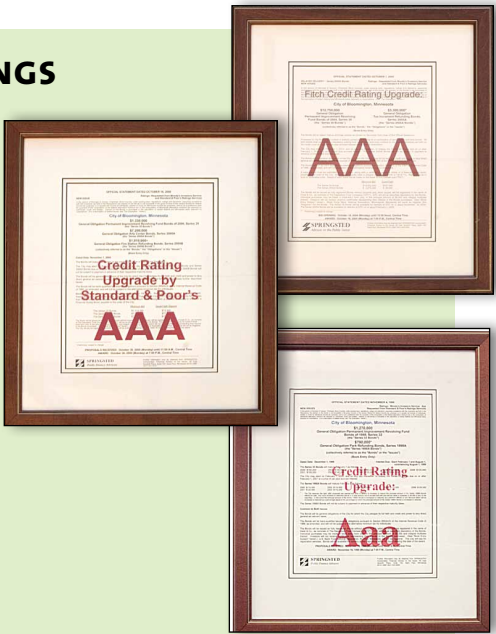
## A SIGNIFICANT ACHIEVEMENT – THREE TRIPLE-A RATINGS

Bloomington ranks with an elite few cities nationwide in holding three triple-A bond ratings. The City maintains its Aaa from Moody’s, AAA from Standard & Poor’s and AAA from Fitch Ratings, the highest bond ratings awarded by these agencies.

Bloomington is one of only 36 cities out of more than 19,000 municipal governments in the U.S. that have achieved three triple-A ratings. Our city is currently one of two cities in Minnesota to hold all three highest ratings. According to the agencies,

our triple-A status reflects the City’s conservative fiscal management, diverse economic base, central location, low unemployment rates that fall below state and national averages, and continued success in the Mall of America tax increment district.

The City’s excellent bond ratings signal current and potential investors that our financial future is strong and ensure interest costs will remain low. It also signals to businesses and individuals that Bloomington is a financially healthy community.







## PREPARING TO MEET CHALLENGES

### ENTERPRISE FUNDS

These funds consist of utilities, recreational facilities and contractual police services primarily supported by user fees.

		2010 ACTUAL EXPENSES	2011 BUDGET	2011 ACTUAL EXPENDITURES	2012 BUDGET	AVERAGE FEES PER MONTH
COMMUNITY SERVICES	RECREATIONAL FACILITIES	\$5,136,182	\$5,458,410	\$5,219,127	\$5,126,131	\$2.13*
PUBLIC SAFETY	CONTRACTUAL POLICE	441,953	540,000	574,871	500,000	--
PUBLIC WORKS	SOLID WASTE MANAGEMENT	1,116,081	1,355,927	1,167,846	1,401,377	2.42**
	STORMWATER UTILITY	3,197,323	5,776,416	3,192,226	6,093,912	5.26
	WASTEWATER UTILITY	10,209,326	10,270,313	10,560,009	10,062,419	13.65***
	WATER UTILITY	10,912,225	11,753,618	11,234,980	11,662,929	15.98****
TECHNICAL SERVICES	MOTOR VEHICLE OFFICE	563,655	582,854	561,456	609,992	0.21

- \* Amount is included in the \$13.66 that the property owner of a median-value home pays in property taxes for Community Services per month.
- \*\* Not including a \$0.59 recycling credit residents receive per month from a county grant.
- \*\*\* Rates are based on average winter usage.
- \*\*\*\* Based on 6,800 gallons per month.

### INTERNAL SERVICE FUNDS

These funds finance interdepartmental goods and services on a cost-reimbursement basis from a variety of end-user funds. Internal Service Funds are supported by interdepartmental user fees already included as expenses to other funds in this report.

	2010 ACTUAL EXPENSES	2011 BUDGET	2011 ACTUAL EXPENDITURES	2012 BUDGET
ACCRUED BENEFITS	\$1,053,215	\$1,597,200	\$1,467,613	\$1,357,017
EQUIPMENT FUND	4,853,723	5,554,422	5,456,945	5,871,619
FACILITIES MAINTENANCE AND REPLACEMENT	5,751,018	6,542,604	5,215,945	9,535,061*
INFORMATION SYSTEMS	3,764,766	3,991,565	3,665,415	4,633,951
INSURED BENEFITS	8,182,004	9,304,793	8,318,729	8,788,266
PUBLIC SAFETY RADIO	377,310	535,676	410,682	600,274
SELF-INSURANCE	1,316,753	1,706,824	1,453,088	1,346,268
SUPPORT SERVICES	492,342	619,835	634,220	482,160

- \* Includes park fees formerly in the General Fund.

### SPECIAL REVENUE FUNDS

These funds account for revenues used for specific purposes including housing and community development, communications, public health initiatives and law enforcement activities.

		2010 ACTUAL EXPENDITURES	2011 BUDGET	2011 ACTUAL EXPENDITURES	2012 BUDGET	FUNDING
COMMUNITY DEVELOPMENT	AIRPORT SOUTH ENVIRONMENT REVIEW	\$32,016	\$114,720	\$379	\$114,920	Environmental review fees
COMMUNITY SERVICES	COMMUNICATIONS	1,455,347	1,518,075	1,480,210	1,518,595	Franchise fee/ other fund charges
	PUBLIC HEALTH SPECIAL REVENUE	1,793,601	2,176,453	1,817,985	1,959,291	State grants
	PARK GRANTS	0	82,065	0	150,000	State and federal grants
PUBLIC SAFETY	PUBLIC SAFETY SPECIAL REVENUE	5,015,456	4,887,335	4,906,588	2,947,570	Forfeited assets and grants and one-time reimbursement*/ property taxes**

- \* Used for specific police capital and operating expenses.
- \*\* If the City is required to fund Bloomington's Fire Pension Fund, the tax levy will generally be the funding source.

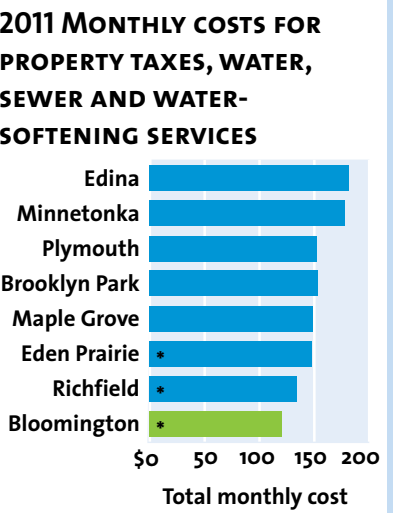


Having access to fresh locally grown food at the weekly Bloomington Farmers Market encourages residents to eat healthy while also supporting our local farmers. The market also provides a great gathering place for the community.

*Keri Lahl, Farmers Market Coordinator*

### 2011 RESIDENTIAL PROPERTY TAX, WATER AND SEWER RATE SURVEY

In 2011, the monthly costs to residents in eight cities for single-family property taxes, plus water, sewer and water-softening services, ranged from \$178.35 in Edina (including in-home, water-softening costs) to \$117.46 in Bloomington for City-softened water.



Costs are based on a single-family residence. Water and sewer rates are based on 7,500 gallons.

\* Cities, including Bloomington, that soften water before distribution.

*Minnesota state law, Chapter 156 of the Session Laws of 2005, requires that “a city or county with a population of more than 15,000 must annually notify its residents of the positions and base salaries of its three highest-paid employees.” For the City of Bloomington, names, titles and salaries are: Mark Bernhardson, City Manager – \$154,569; Karl Keel, Public Works Director – \$149,352; and Larry Lee, Director of Community Development – \$143,765.*





WHAT DO YOU THINK?

Direct comments to the Finance Department, phone: 952-563-8790, e-mail: [finance@ci.bloomington.mn.us](mailto:finance@ci.bloomington.mn.us) or visit our website.



Bloomington's thriving Neighborhood Watch Program shows our sustainability and offers that small town feel, even though we are the fifth largest city in Minnesota.

Officer Heidi Miller, Police



ABOUT THIS REPORT

The City Council presents this corporate report of financial and related information to show how Bloomington's city government performs. This report does not include Housing and Redevelopment Authority or Port Authority budgets.

- Mayor**  
Gene Winstead, 952-888-1258 (h); [gwinstead@ci.bloomington.mn.us](mailto:gwinstead@ci.bloomington.mn.us)
- Councilmembers**  
[council@ci.bloomington.mn.us](mailto:council@ci.bloomington.mn.us)  
Jack Baloga, 952-944-5194 (h)  
Tim Busse, 952-457-7506 (h)  
Tom Hulting, 952-942-9164 (h)  
Karen Nordstrom, 952-831-5221 (h)  
Steve Peterson, 952-884-3262 (h)  
Vern Wilcox, 952-854-1425 (h)

**City Manager**  
Mark Bernhardson, 952-563-8780  
[citymanager@ci.bloomington.mn.us](mailto:citymanager@ci.bloomington.mn.us)

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

The City of Bloomington reports financial year-end results in the approximately 200-page *Comprehensive Annual Financial Report* (CAFR). The *Corporate Report to the Community* summarizes significant data from the 2011 CAFR and the 2012 Annual Budget, and is consistent with Generally Accepted Accounting Principles. The report reflects the net tax cost by service expenditure developed by crediting related revenues against appropriate expenditures and allocating local taxes against the remaining balance.

The *Corporate Report to the Community* is unaudited. This popular report format has been used and improved for the past 12 years and is also available on our website. Audited numbers will appear on our website in June.

For a complete review of the City's financial position for 2011, consult the 2011 CAFR, available from the Hennepin County Library, Bloomington Finance Department or the City's website after June 30, 2012. For more information on the 2012 Annual Budget, visit the [City's website](#) or call 952-563-8790.

TOWARD A MORE SUSTAINABLE FUTURE

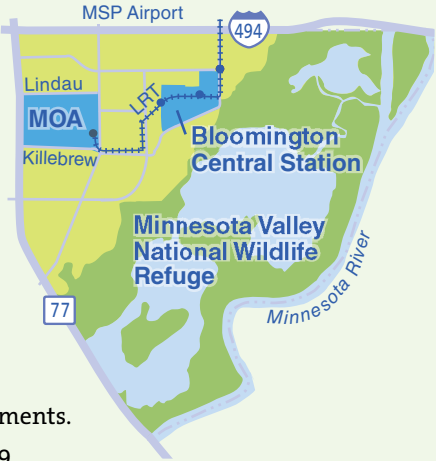
CAPITAL PROJECTS

Capital Projects purchase and improve major assets such as land, structures, equipment and streets.

2010 ACTUAL EXPENDITURES	2011 ACTUAL EXPENDITURES	2012 PROJECTED EXPENDITURES
\$20,097,063	\$22,773,872	\$44,570,497

SOUTH LOOP DISTRICT

The South Loop District is the area in east Bloomington that extends from I-494 on the north, TH 77 on the west to the Minnesota River on the south and east. Approximately \$80 million has been budgeted over the next five years for infrastructure improvements in the South Loop District, which includes Bloomington Central Station and Mall of America (MOA). Funding is provided by business tax revenues dedicated to area improvements.



The Lindau Lane project, costing \$49 million, will extend the street to 30th Avenue and incorporate safety improvements to reduce crashes near IKEA Way. The Lindau Lane Greenway is a key place-making element of the *South Loop Plan*.

Anticipated 2012 capital expenditures include approximately \$3 million for construction of a pedestrian bridge that will connect MOA to businesses on the south side of Killebrew Drive. The bridge will increase safety for pedestrians and discourage illegal crossings on Killebrew Drive, which spans six traffic lanes. See below.



PAVEMENT MANAGEMENT PROGRAM

The Pavement Management Program, adopted in 1992, is a funding and implementation plan for repair, maintenance and reconstruction of Bloomington roadways. After needs are identified, funding is provided through state aids, assessments and an annual levy.

This program strategically plans for repair and replacement, and maximizes process efficiency by identifying the optimum time to replace or repair streets.

In 2012, approximately \$5.9 million will be invested in street reconstruction and \$2.5 million will be spent on overlaying existing pavement. Operating costs will not change.

DEBT SERVICE

Many community needs must be cost-effectively met by the City of Bloomington, including street and infrastructure work, construction projects and equipment purchases. The ability to issue future debt at lower interest rates will provide for our community's upkeep and renewal without substantially increasing property taxes for debt service.

2010 ACTUAL EXPENDITURES	2011 BUDGET	2011 ACTUAL EXPENDITURES	2012 BUDGET	AVERAGE NET PROPERTY TAX PER MONTH
\$6,442,010	\$7,243,506	\$7,215,778	\$10,592,015	\$7.13

OUTSTANDING DEBT

The City's total outstanding debt on December 31, 2011, was \$70,215,000. The total legal debt limit for Bloomington is \$310 million. The City's net debt per capita is \$623. See right. More than half of Bloomington's debt will be paid off in 10 years – a sign of strong financial management.

The Port Authority has outstanding debt of \$21.8 million, which will be paid off from tax increment financing revenues and local liquor and lodging taxes.

CITY OF BLOOMINGTON BONDS	
General Obligation (G.O.) Bonds	\$ 6,780,000
G.O. Improvement Bonds	50,440,000
G.O. Tax Increment Bonds	6,795,000
Capital Improvement Plan Bonds	5,900,000
Enterprise Fund Revenue Bonds	300,000
TOTAL	\$ 70,215,000
Less: Funds on hand	(17,812,453)
TOTAL NET DEBT	\$ 52,402,547
NET BONDED DEBT per capita	\$ 623
PORT AUTHORITY BONDS	
Special Tax Revenue Refunding	\$ 7,270,000
G.O. Taxable Bonds	14,550,000
TOTAL	\$ 21,820,000